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December 12, 2005

Division of Dockets Management (HFA-305) Food and Drug Administration 5630 Fishers Lane, Rm. 1061 Rockville, MD 20852

RE: Docket No. 2002N-0273

Substances Prohibited From Use in Animal Food or Feed

The American Association of Meat Processors (AAMP) is pleased to submit the following comments on the amendments to the Agency's regulation, "Substances Prohibited From Use in Animal Food or Feed."

The Association is an international organization whose members include meat and poultry processors, slaughterers, caterers, food service companies, wholesalers, retailers, suppliers, and consultants to the meat and poultry industry. There are 33 state, regional, and provincial associations of meat processors that are also affiliated with AAMP. Majority of our members are small and very small businesses, most of them family-owned and operated.

AAMP has concerns over the amendments to the "Substances Prohibited From Use in Animal Food or Feed" regulations because of the impact the changes will have on our membership. Since our membership consists of mainly small and very small businesses, these proposed changes will severely affect their bottom line. Increased costs passed on from the rendering industry, as well as elimination of certain by-product materials from pick-up will have the most economic impact on small and very small processors.

The disposal of the Specified Risk Materials (SRMs) will be the biggest challenge of the proposed amendments. Currently, most meat slaughterers and processors rely on renderers to dispose of the inedible by-products of meat production. The rendering industry collects and processes over 47 billion pounds of by-products each year from these industries and transforms the inedible products into useful and valuable feed and industrial materials. Rendering adds millions of dollars in value to livestock production through the manufacture of protein materials while removing the need to dispose of meat industry by-products in landfills or by other methods that may impact public health and the environment.

Additional regulation of livestock feed ingredients through the proposed amendments will reduce the demand for rendered material, which will increase by-product disposal costs. These

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changes in costs will be passed on to other segments of livestock production, and ultimately force processors to increase their prices for consumers. Higher livestock production costs, lower value for slaughtered animals, reduced profitability for renderers, increased costs for processors, and more expensive meat products for consumers are all very likely to occur. A reduction in the value of by-products directly reduces the amount packers are able to pay for livestock, creating a vicious cycle of events.

If rendering becomes too expensive for meat slaughterers and processors to use, they are left with few alternatives. Landfills will not be able to handle the increased amount of material, and there are many costs associated with using landfills for disposal. Some landfills do not accept these types of materials and hauling such materials may require special vehicles or permits. Composting or burying of by-products takes a considerable amount of land and time, as well as additional labor. It is only a viable option for those establishments in rural areas with available land and the equipment to properly compost or bury by-product material. Burying creates the largest risks for human health and the environment because of the potential for ground and surface water pollution if proper techniques are not followed. Incineration requires a significant capital expense and constant fuel supply, as well as permits to operate legally. It is probably not economically feasible for a small processor to purchase an incinerator and have enough volume to make it run efficiently. Also, instead of creating a return for by-products by sending them to be rendered, incineration, landfilling, and burying offer no value for those products. There are definite environmental concerns with all of these options, as well as possible risks to public health. The meat industry is often the focus of public scrutiny and must be very conscious of the views of consumers, especially where both human health and the environment are concerned.

Some renderers may continue to pick-up the materials, but will require processors to separate the brains and spinal cords. Meat processing plants will need to assure that the SRMs have been removed properly and kept separate. This process will be both costly and labor intensive to small processors, ultimately resulting in more incidences of inappropriate disposal and creating a hardship for small and very small meat processing establishments. Some facilities will be on pick-up routes that are forced to discontinue service because the economics of that route are so poor. Eventually this rule will affect other species that are typically picked up by renderers because of the changes in the industry.

Another concern AAMP has is for establishments that are considered custom-exempt. The proposed rules indicate that "the entire carcass of cattle not inspected and passed for human consumption if the brain and spinal cord have not been removed" would be banned from livestock feed. This means that custom-exempt facilities would need to remove the brain and spinal cord from the remaining offal prior to it being acceptable for rendering, otherwise none of the animal would be allowed to be used. Again, this increases production and labor costs for small processors.

Increasing costs are a constant problem for small processors, and the changes to these regulations will indeed impact many small businesses. Small plants will either be forced to pay additional fees for the disposal of inedible products, change their business focus to avoid the problems related to SRM material, or close their establishments. With those concerns in mind, small and very small meat processing establishments may become obsolete since many of them slaughter, process, and sell their products in a retail setting.

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AAMP appreciates the chance to comment on the proposed amendments to the "Substances Prohibited From Use in Animal Food or Feed." We hope that FDA will take our concerns seriously and evaluate the proposed rules accordingly. The associated costs and economic impact for small and very small meat processors will be great, ultimately forcing some of them to stop slaughtering cattle. There are also great environmental concerns with the proposed amendments due to the alternative disposal method limitations. Until more cost effective alternatives to rendering by-products from slaughter are available, these amendments will cause undue harm to the already suffering small and very small meat processors. The United States Department of Agriculture's BSE testing program should clearly indicate that BSE is not a problem in this country and prove that the current safeguards are not in need of modification.

Sincerely,

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Director of Legislative and Regulatory Affairs

cc: Mark Schad, AAMP President

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